

IN THE UNITED STATES DISTRICT COURT  
FOR THE WESTERN DISTRICT OF NORTH CAROLINA  
CHARLOTTE DIVISION

Case Number 3:14-cv-00351-GCM

KENNETH D. BELL, in his capacity as )  
Court-appointed Receiver for Rex Venture )  
Group, LLC d/b/a ZeekRewards.com )

Plaintiff, )

vs. )

GRIMES & REESE PLLC, )  
KEVIN D. GRIMES, and )  
MLM COMPLIANCE VT, LLC )

Defendants. )

**REPLY IN SUPPORT  
OF MLM COMPLIANCE VT, LLC'S  
MOTION TO DISMISS**

Defendant MLM Compliance VT, LLC (hereafter "MLM"), by and through undersigned counsel, respectfully submits this Reply to the Consolidated Response in Opposition to Defendants' Motions to Dismiss.

The Complaint in this matter failed to allege any claims against MLM Compliance VT, LLC that Plaintiff was damaged by MLM's conduct. On the contrary, the Complaint – on its face – alleges that Rex Venture Group ("RVG") profited from the sale of the compliance course.

Nor does the Complaint even allege that any of the content of MLM's compliance course was false, misleading, or presented any content that was contrary to law. The gravamen of the entire action against MLM appears to be that the sale of MLM's compliance course by RVG to its affiliates somehow conferred undeserved legitimacy upon RVG's programs and that this use of the program by RVG transformed accurate legal information into a "bogus" course.

The fact – which the Court must accept as true at this stage – that RVG used the compliance course for an improper purpose and that it thereby led to more affiliates and a larger

Ponzi scheme has no bearing on whether MLM is liable for this use. Even if the allegations in the Complaint are true, RVG was not damaged by MLM's compliance course. In fact, if RVG, its insiders, or its affiliates had followed the advice in the MLM Compliance course, there would be no action here at all.

In further support of this motion, MLM Compliance VT, LLC incorporates by reference the arguments contained in the Reply of Kevin Grimes filed contemporaneously herewith.

Respectfully submitted, this the 3rd day of November, 2014.

MEYNARDIE & NANNY, PLLC

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## CERTIFICATE OF SERVICE

The undersigned hereby certifies that the foregoing Reply in Support of Motion to Dismiss was electronically filed with the Clerk of Court using the CM/ECF system, which will send notification of such filing to all counsel of record registered with the CM/ECF System; and that the document was also served by depositing a copy thereof in the United States Mail, postage prepaid and addressed as follows:

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This the 3rd day of November, 2014.

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